

**Information Network of Kansas
Board Meeting
July 16, 2009**

The July 16, 2009 meeting was held at the KDOT Office, 700 SW Harrison, 2nd Floor, Topeka, KS 66603. At 10:05 a.m. Chairman Dunham called the meeting to order.

The following Board members and proxy were present: Amy Blankenbiller, Gary Centlivre, Cynthia Dunham, Duncan Friend, Joe Hennes, David King, Kathy Sachs, Dennis Slimmer and Dan Yunk. Others present were: Jim Hollingsworth, INK Executive Director; Phil Elwood, INK General Counsel; Lisa Counts, Shane Myers, DiAnna Wages, Michael Cook, and Wayne Dirks, Kansas Information Consortium (KIC); Dan Korber, Kansas, Inc.

Consent Agenda

Dunham referred to the Consent Agenda for July 16, 2009. The following items were on the Consent Agenda:

- June 2009 INK Board Minutes
- Executive Director Report
- Network Manager Report

A motion was made by Blankenbiller to approve the Consent Agenda for the July 16, 2009 Board Meeting. Seconded by Centlivre. Motion carried.

Regular Agenda

INK Financial Audit Update

Hollingsworth provided an update regarding the annual INK Financial Audit, noting the audit process was currently open for bids, and two of three expected bids had already been received. Hollingsworth noted the Board had previously discussed the issues of the former contractor, Wendling Noe Nelson and Johnson (WNNJ), and their requirement of a SAS 70 audit of internal controls before moving forward with an audit. Other contractors were not requiring the SAS 70. Hollingsworth noted INK's primary contact with the firm, Roger Johnson was retiring and requested the Board's direction. Discussion ensued.

Friend requested clarification regarding the feasibility of the SAS 70 audit. Counts noted while the process provided reasonable assurance of financial controls, performing it on an 18-month period would be difficult and expensive.

At 10:16 a.m. Yunk joined the meeting.

Sachs and Blankenbiller requested clarification regarding WNNJ's position on the SAS 70 compared to other firms.

Dunham directed Hollingsworth to follow up with WNNJ to provide clarification regarding their position on the SAS 70 audit and notify them of the Board's intent to pursue other bids. Dunham requested Hollingsworth provide this information to the Board when available, and schedule a conference call during August 2009 to determine the Board's direction to move forward with the annual INK Financial Audit process.

Executive Director Contract

Elwood referred the Board to the Executive Director Contract, noting Exhibit A regarding the Executive Director's specific responsibilities was in draft form and not included. Discussion ensued.

A motion was made by Yunk to approve the Executive Director Contract as presented, and the Board would act on Exhibit A when complete. Seconded by Blankenbiller. Motion carried.

Data Center Move Update

Hollingsworth provided an update regarding the KIC Data Center move and requested Board input. Hollingsworth noted meetings between INK and KIC continued to occur and data recovery was a key issue during these discussions.

Dunham noted no binding action was required by the Board at this point.

Friend suggested the Subcommittee addressing these issues include several stakeholders, including INK Board members and also requested clarification regarding a timeline for the Data Center move.

Sachs noted the issues surrounding data recovery would continue to be at the forefront of this process.

Centlivre concurred and suggested moving forward with the process.

Dunham noted the Board's consensus at this point was to continue the process and keep the Board informed as new information is available.

Customer Service Escalation Update

Hollingsworth noted meetings in regards to customer service escalation continued to provide solutions to both support and program issues, and the protocol to address these issues; however, the most recent meeting had been cancelled.

KBI Contract

Hollingsworth noted he and Counts had met again with the representative from the KBI and provided an overview of their discussion in regards to the KBI's proposed multi-tier fee change. Hollingsworth noted the KBI's proposal was counter-productive to INK's self-funded model, would be difficult to implement from an accounting perspective and could set a negative precedent in regards to accomplishing INK's overall mission. Counts noted the KBI was increasing fees associated with their electronic services, which did not have an impact on the proposed fee change. Counts noted several scenarios had been reviewed; however, given the current package of services the KBI currently receives from INK, it would be difficult to replicate this level of services for the same price with an outside vendor. Discussion ensued.

Dunham noted there was no response in regards to the letter sent from the INK Chairperson to the head of the KBI. Sachs suggested Secretary Thornburgh correspond with the KBI to gain further insight in regards to the issue.

Dunham noted the Board's consensus was to have Secretary Thornburgh correspond with the KBI to gain further insight in regards to the issue and report back to the Board.

At 11:03 a.m. Slimmer joined the meeting.

INK Service Policy – Non-State Government Customers

Hollingsworth requested Board input in regards to INK's service policy to non-state government customers, as he had been approached by several groups outside of state government. Counts noted these opportunities could provide additional sources of revenue for the portal. Hollingsworth noted there was no official policy in regards to dealing with these requests.

Dunham noted the Board's consensus was to have INK Counsel develop a draft policy in regards to this issue and the Board would review and comment on this policy at a future meeting.

INK Granting Procedures and Guidelines

At 11:16 a.m. Sachs was excused from the meeting.

Hollingsworth provided an overview of the revised INK Granting Procedures and Guidelines, noting primary changes were made to the INK Assessment Methodology and the Grant Approval Process. Hollingsworth noted the procedures and guidelines were in place to provide the Grants Committee and Board direction and maximum visibility of the process; however, the Board had ultimate authority regarding all aspects of the grants process.

Yunk noted general concern with the process in the past in regards to the Committee not forwarding all grants to the Board and the relevance of some of the assessment methodology to the grant proposals received.

King noted in certain cases the scoring methodology was difficult to align with the grant proposals received.

Hollingsworth noted the modifications were made to generally address these issues, and possibly a more in-depth annual report could be provided to the Board in regards to grants proposals received, granted and overall outcomes.

At 11:45 a.m. Hennes was excused from the meeting.

A motion was made by Blankenbiller to adopt the changes as proposed to the INK Granting Procedures and Guidelines. Seconded by Slimmer. Motion carried.

Adjourn

With no further business, at 11:53 a.m., Dunham requested a motion to adjourn the meeting. A motion was made by Yunk to adjourn the meeting. Seconded by Blankenbiller. Motion carried.

Respectfully submitted by

(Jim Hollingsworth on behalf of)

Stan Ahlerich
Secretary